



ASRS REPORT

ARIZONA STATE RETIREMENT SYSTEM

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www.azasrs.gov

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This report provides a briefing of news and notices important to our members, retirees and employer partners, as well as other interested parties. It is produced by the ASRS on a periodic basis and posted to the ASRS website. If you would like to receive an email notice when the next issue is posted, and you are not already on our email list, please contact us at weeklyreport@azasrs.gov, and provide your name, email address, telephone number and title and organization, if applicable.

ASRS News

ASRS Board Selects New Chair, Vice Chair

The ASRS Board of Trustees voted Friday to elect Michael Townsend Chair of the Board for the 2007-08 term, which begins July 1.

Mr. Townsend, chief fiscal officer for Coconino County, has served as Vice Chair and replaces Dr. Keith Meredith, who has served as Chair the past three years. Dr. Meredith will assume the duties of Vice Chair of the nine-member board.

The Board of Trustees, whose members are appointed by the Governor and confirmed by the state Senate, is responsible for supervising the administration of the ASRS and holds fiduciary duties and other responsibilities to preserve and protect the retirement trust fund. The next Board meeting is scheduled for July 20 at the ASRS Phoenix office.

To learn more about the Board and its members, visit the Board & Committee section of the ASRS website at www.azasrs.gov.

ASRS Retiree Health Insurance News

The ASRS has extended the 2007 Special Enrollment period for PacifiCare's Preferred Provider Organization (PPO) medical plan until 5 p.m., Friday, June 1, 2007.

Non-Medicare retired and disabled members will receive in the mail a packet of information on the program changes. For current PPO members, no action is required.

For those non-Medicare members wishing to switch their current plan – or those who wish to enroll in the PPO plan – the deadline to submit their paperwork will be June 1.

Retired members with questions relating to their health insurance coverage may call the ASRS Member Services Advisory Center at (602) 240-2000 in Phoenix, (520) 239-3100 in Tucson, or (800) 621-3778 outside Phoenix and Tucson.

ASRS Legislation

The 48th Session of the Arizona Legislature is winding down, and there are still a number of bills that deal with retirement issues making their way through the legislative process.

You can view a summary of the bills that have been passed, those still under consideration, and those that appear to have failed by viewing the ASRS Bill Tracker, a document posted on our website and updated weekly.

Information is also available on the state legislature's website, www.azleg.gov.

At the conclusion of the session, the ASRS will compile a 2007 Legislative Summary that will detail new laws that come out of this session, and when they will take effect.

Contribution Rates for next fiscal year

Contribution rates for the 2007-08 fiscal year paid by active members and their employers will increase slightly beginning July 1.

Based on an annual actuarial analysis of the defined benefit plan, health insurance premium benefit and long term disability programs, the contribution rate will increase from 9.1 percent this year to 9.6 percent beginning July 1, 2007. Because the ASRS pension plan is a match plan, the employee and the employer each pay the contribution rate.

The new contribution rate of 9.6 percent reflects 9.1 percent for the defined benefit plan and health insurance premium benefit, and 0.5 percent for the long term disability plan. The LTD rate has remained steady the past five years.

The increase is primarily due to past improvements to the benefit package, low historic contribution rates, low mid-term investment returns, and changing member demographics. Improved investment performance over the past two years has helped mitigate larger increases in the contribution rate.

Educational meetings offered to inform, assist members

The Member Services Division of the ASRS conducts educational meetings available to all members. Whether you're newly hired and want to learn about the benefits available to you, or you're ready to retire and want assistance filling out your paperwork and making annuity selections, the ASRS has a meeting for you.

Know Your Benefits

This meeting is especially beneficial to new members. You'll learn about the many benefits of belonging to the Arizona State Retirement System, including a history and overview of the ASRS, how your pension is calculated and how to maximize your future benefit, member responsibilities, disability and survivor benefits, options should you leave ASRS employment, and more. Also covered will be the Service Purchase benefit, in which a member may purchase, under certain circumstances, time they worked under other qualified employer plans.

Getting Ready to Retire

This meeting is vital for members who are planning to retire within a year. You'll learn about your pension benefit and how it's calculated, options for retiree health insurance and other benefits, return to work options and more. Members who register for this meeting will receive a personal benefit estimate and assistance in filing out the proper paperwork.

Visit our website and click on the "Calendars" section to see a full listing of meetings taking place in Phoenix, Tucson and throughout the state at various locations. Reservations are required and can be made by calling our Member Services Advisory Center at (602) 240-2000 in Phoenix, (520) 239-3100 in Tucson, or (800) 621-3778 outside Phoenix and Tucson.

ASRS Board & Committee Meetings

ASRS Board of Trustees

Friday, July 20, 2007, 8:30 a.m. – ASRS Phoenix office, 3300 N. Central Ave., 10th floor Board Room.

External Affairs Committee

Friday, June 1, 10 a.m. – ASRS Phoenix office, 3300 N. Central Ave., 14th floor.

Operations Committee

Thursday, June 28, 2007, 10:30 a.m. – ASRS Phoenix office, 3300 N. Central Ave., 14th floor.

Investment Committee

Tuesday, July 10, 2007, 5:30 p.m. – ASRS Phoenix office, 3300 N. Central Ave., 14th floor.

Note: All Board & Committee meetings are open to the public and your attendance is encouraged. Schedules, agendas and minutes of meetings are posted on our website and are available at our Phoenix and Tucson offices.